

# Facilities Revolving Fund

Recommended Budget, Fiscal Year 2004 - 2005

The Facilities Revolving Fund (FRF) was established in 1988 to provide efficient management of the state office and warehousing facilities. State agencies are charged a fair market rate for the space they occupy. These revenues, along with any necessary current services revenue and reserve funds constitute the operating funds for FRF.

The fund pays for facilities management costs of state owned and leased office and warehouse space. These costs include debt service on buildings financed with bonds, routine and major maintenance, relocation expenses and furniture for state agencies, and payments for leased office space not

owned by the state but occupied by state agencies.

While FRF is administered by the Commissioner of Finance and Administration, the departments of General Services and Finance and Administration manage the daily operations of the fund. General Services operates, maintains, and manages FRF facilities. Finance and Administration constructs and renovates facilities through its Division of Capital Projects and Real Property Management with approval of the State Building Commission. The division also assigns space to agencies, handles lease acquisitions, and provides relocation services and furniture to agencies.

The Department of General Services maintains the daily upkeep of FRF facilities through Operational Maintenance. Items such as contracts for janitorial and security services are funded through this allotment.

	<b><u>Actual</u></b> <b><u>2002-2003</u></b>	<b><u>Estimated</u></b> <b><u>2003-2004</u></b>	<b><u>Base</u></b> <b><u>2004-2005</u></b>
<b>501.01 Operational Maintenance</b>			
Payroll	0	0	0
Operational	43,436,300	41,247,700	<b>42,000,000</b>
<b>Total</b>	<b>\$43,436,300</b>	<b>\$41,247,700</b>	<b>\$42,000,000</b>
State	334,500	321,600	<b>321,600</b>
Federal	0	0	<b>0</b>
Other	43,101,800	40,926,100	<b>41,678,400</b>

The Department of General Services makes standard repairs and handles regular maintenance of FRF facilities within Project Maintenance. Items such as painting walls, repairing doors, and stopping leaks are paid from this allotment.

## 501.02 General Services Project Maintenance

Payroll	0	0	0
Operational	1,328,700	1,700,000	<b>1,700,000</b>
<b>Total</b>	<b>\$1,328,700</b>	<b>\$1,700,000</b>	<b>\$1,700,000</b>
State	0	0	<b>0</b>
Federal	0	0	<b>0</b>
Other	1,328,700	1,700,000	<b>1,700,000</b>

The Department of Finance and Administration assigns and leases space to state agencies, negotiates and pays for leases in non-state owned buildings, and pays for moving and furniture expenses, within the Facilities Management allotment.

	<b><u>Actual</u></b> <b><u>2002-2003</u></b>	<b><u>Estimated</u></b> <b><u>2003-2004</u></b>	<b><u>Base</u></b> <b><u>2004-2005</u></b>
<b>501.03 Facilities Management</b>			
Payroll	0	0	0
Operational	29,908,600	29,345,000	40,500,000
<b>Total</b>	<b>\$29,908,600</b>	<b>\$29,345,000</b>	<b>\$40,500,000</b>
State	0	0	0
Federal	0	0	0
Other	29,908,600	29,345,000	40,500,000

The Department of Finance and Administration's Capital Projects and Real Property Management Division coordinates maintenance and new construction activities for the state-owned buildings in FRF. Included in the recommended FRF Capital Projects budget are funds for statewide maintenance as well as capital outlay projects.

**501.04 Capital Projects**

Payroll	0	0	0
Operational	3,469,000	6,315,000	6,240,000
<b>Total</b>	<b>\$3,469,000</b>	<b>\$6,315,000</b>	<b>\$6,240,000</b>
State	0	0	0
Federal	0	0	0
Other	3,469,000	6,315,000	6,240,000

**501.05 Debt Service**

Payroll	0	0	0
Operational	21,068,900	21,000,000	20,500,000
<b>Total</b>	<b>\$21,068,900</b>	<b>\$21,000,000</b>	<b>\$20,500,000</b>
State	0	0	0
Federal	0	0	0
Other	21,068,900	21,000,000	20,500,000

**501.00 Facilities Revolving Fund Total**

Payroll	0	0	0
Operational	99,211,500	99,607,700	110,940,000
<b>Total</b>	<b>\$99,211,500</b>	<b>\$99,607,700</b>	<b>\$110,940,000</b>
State	334,500	321,600	321,600
Federal	0	0	0
Other	98,877,000	99,286,100	110,618,400

**Proposed Facilities Revolving Fund Capital Appropriations  
from Bonds and Current Funds  
Fiscal Year 2004 - 2005**

	<b>COUNTY</b>	<b>TOTAL</b>	<b>FRF CURRENT</b>	<b>BONDS</b>	<b>OTHER</b>
Capital Maintenance	Statewide	11,940,000	4,840,000	7,100,000	0
TBI Jackson New Field Office Build-to-Suit	Madison	3,500,000	0	0	3,500,000 <sup>1</sup>
Knoxville New Environmental Field Office Build-to-Suit	Knox	4,800,000	0	0	4,800,000 <sup>1</sup>
New Upper Cumberland Regional Health Office	Putnam	10,100,000	400,000	9,700,000	0
Lowell Thomas State Office Building Renovation II	Madison	7,650,000	650,000	7,000,000	0
New State Data Center- Initial Planning	Davidson	200,000	200,000	0	0
Capitol Complex Interior Renovation Additional Funding	Davidson	1,650,000	150,000	1,500,000	0
<b>Grand Total</b>		<b><u>\$39,840,000</u></b>	<b><u>\$6,240,000</u></b>	<b><u>\$25,300,000</u></b>	<b><u>\$8,300,000</u></b>

NOTE:

1. Projects to be funded with Bonds from Public Acts of 2003, Public Chapter 338 if purchased in future years.